

Michaud-Backed Bill to Save Taxpayers Billions Heading to President's Desk

Wednesday, July 14 2010

Michaud sends letter to congressional leaders pushing fiscal discipline as a top priority

WASHINGTON, DC – Today, bipartisan legislation to eliminate \$98 billion in waste, fraud and abuse cleared its last major hurdle on the way to the President's desk with House passage of S. 1508, the Improper Payments Elimination and Recovery Act.

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WASHINGTON, DC – Today, bipartisan legislation to eliminate \$98 billion in waste, fraud and abuse cleared its last major hurdle on the way to the President's desk with House passage of S. 1508, the Improper Payments Elimination and Recovery Act.

Michaud is a cosponsor of the House version of the bill and has been working with Republicans and his fellow Blue Dog Coalition colleagues to push for its passage. The bill will help reduce waste, fraud and abuse by identifying and eliminating improper payments, helping to recover funds that were spent improperly, and increasing transparency in government spending.

"It's sad that we have to pass a bill to accomplish this, but it's the least we can do to inject some fiscal responsibility in government," said Michaud. "We must ensure that our federal agencies are living up to their responsibilities if we are ever to get our nation's fiscal house in order. Just as Mainers watch their budgets, the federal government should be equally as vigilant about how taxpayer dollars are spent."

The bill will reduce improper payments, which are payments that occur when a federal agency pays too much or pays twice for a product or service. According to the Office of Management and Budget, federal agencies were estimated to have made nearly \$98 billion in improper payments in FY 2009 – more than double the total budget for the Department of Homeland Security.

Michaud also sent a letter to congressional leaders today on the need to address the nation's fiscal crisis. The full text of the letter Michaud sent with 58 of his colleagues can be found below.

Dear Speaker Pelosi and Leader Hoyer:

We can no longer put off addressing the nation's fiscal crisis, which was created by years of mismanagement and has been exacerbated by the recent economic crisis. Failure to put in place and properly enforce budget enforcement mechanisms that cut and restrain the growth in federal spending will only make the tough, necessary decisions harder to achieve in the future.

Markets around the world, including ours, were shaken by the debt crisis in Europe. Many economists point to the U.S.'s high levels of debt and wonder if our country is heading towards a similar fate. While our economy is still recovering and more needs to be done to create jobs, it is critical that we balance these investments with offsets over the long run.

We recognize and understand the need for the emergency designation as narrowly defined in the statutory PAYGO law recently passed by the House and signed into law by President Obama. However, we have made a commitment to pay for our priorities. It is critical that we uphold our efforts to restore fiscal discipline to the federal government by not using this tool for anything other than it is intended – a true, unforeseen emergency.

Extending critical, economic investments is no more important than paying for them. America is facing a debt crisis that is threatening to undermine our economic and national security. We can no longer afford to exacerbate the problem because the decisions about how to pay for what we spend are getting harder.

We stand ready to work together with you to ensure that deficit reduction continues to be a top priority of Congress and the administration, and to take meaningful steps to reduce spending and pay for our priorities now and in the future.

Sincerely,

MICHAEL H. MICHAUD

Member of Congress

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